

**CITY OF SYRACUSE  
ONONDAGA COUNTY, NEW YORK**

**\$11,676,000**

**PUBLIC IMPROVEMENT (SERIAL) BONDS, SERIES 2018A**

**NOTICE OF BOND SALE**

PROPOSALS will be received by the undersigned Commissioner of Finance of the City of Syracuse, Onondaga County, New York (the "City") at the offices of Capital Market Advisors, LLC, 1075 Route 82, Suite 4, Hopewell Junction, New York 12533, at 11:00 o'clock A.M., Prevailing Time, on Wednesday, June 13, 2018, at which time and place the bids will be opened for the purchase at not less than par plus accrued interest of \$11,676,000 Public Improvement (Serial) Bonds, Series 2018A (the "Bonds").

Proposals may be submitted electronically via iPreo's Parity Electronic Bid Submission System ("Parity"), via telephone proposal at (845) 227-8678 or facsimile transmission at (845) 227-6154, in accordance with this Notice of Sale, at the time specified herein. No other form of electronic bidding services will be accepted. Bidders submitting proposals via facsimile must use the "Proposal for Bonds" form attached hereto. Once the proposals are communicated electronically via Parity, via telephone or via facsimile, each bid will constitute an irrevocable offer to purchase the bonds pursuant to the terms therein provided.

Prospective bidders wishing to submit an electronic bid via Parity must be contracted customers of Parity. Prospective bidders who do not have a contract with Parity must call (212) 849-5021 to become a customer. By submitting an electronic bid for the bonds, a bidder represents and warrants to the City that such bidder's bid for the purchase of the bonds is submitted for and on behalf of such prospective bidder by an offer or agent who is duly authorized to bind the bidder to a legal, valid and enforceable contract for the purchase of the bonds.

The Bonds are entitled Public Improvement (Serial) Bonds, Series 2018A and are general obligations of the City. Interest on the Bonds is payable on May 1, 2019 and semiannually thereafter on November 1 and May 1 in each year until maturity. The record date for the Bonds is the fifteenth day of the calendar month preceding each interest payment date. The Bonds will be dated June 21, 2018 and will mature on May 1 in the following years and amounts set forth below and will be subject to optional redemption as discussed below:

<u>MATURITIES</u>					
2020	\$ 1,231,000	2025	\$ 655,000	2030	\$ 525,000
2021	1,450,000	2026	675,000	2031	505,000
2022	1,560,000	2027	695,000	2032	520,000
2023	1,575,000	2028	680,000	2033	460,000
2024	635,000	2029	510,000		

The annual principal installments set forth above, together with interest thereon are intended to provide substantially level or declining annual debt service. The City may, after selecting the successful bidder, by 3:00 o'clock P.M. (Prevailing Time) on June 13, 2018, adjust such installments of principal, in multiples of \$5,000, to the extent necessary to achieve substantially level or declining debt service. Any such adjustment shall be conclusive and shall be binding upon the successful bidder.

The Bonds maturing on or before May 1, 2026 shall not be subject to redemption prior to maturity. The Bonds maturing on or after May 1, 2027 shall be subject to redemption prior to maturity, on any date, at the option of the City, in whole or in part, and if in part, in any order of their maturity and in any amount within a maturity (selected by lot within a maturity) on any date on or after May 1, 2026 at par plus accrued interest to the date of redemption.

If less than all of the Bonds of any maturity are to be redeemed, the particular Bonds of such maturity to be redeemed shall be selected by lot in any customary manner of selection as determined by the Commissioner of Finance of the City. Notice of such call for redemption shall be given by mailing such notice to the registered owner not more than sixty (60) days nor less than thirty (30) days prior to such date. Notice of redemption having been given as aforesaid, the Bonds so called for redemption shall, on the date for redemption set forth in such call for redemption, become due and payable, together with interest to such redemption date. Interest shall cease to be paid thereon after such redemption date.

The Bonds will be initially issued in fully registered form in denominations such that one Bond shall be issued for each maturity of Bonds and, when issued, will be registered in the name of Cede & Co., as nominee of the Depository Trust Company, Jersey City, New Jersey, which will act as securities depository for the Bonds. Ownership interest in the Bonds will be transferred pursuant to the "Book-Entry-Only System" of The Depository Trust Company, as described in the Official Statement prepared by the City with respect to the Bonds. Principal and interest on the Bonds will be payable by check or draft mailed by the City to the Depository Trust Company, Jersey City, New Jersey, or to its nominee, Cede & Co., as the registered owner of the Bonds. Principal and interest will be payable in lawful money of the United States of America. The Bonds may not be converted into coupon Bonds or be registered to bearer.

Each bid for the Bonds must be for all of said \$11,676,000 serial bonds and state a single rate of interest or different rates of interest for bonds maturing in different calendar years; provided, however, that (i) only one rate of interest may be bid for Bonds of the same maturity, (ii) the maximum difference between the highest and lowest rate of interest bid for the Bonds may not exceed four per centum per annum, and (iii) all rates of interest bid must be in ascending order and be stated in a multiple of one-eighth or one-hundredth of one per centum per annum. Unless all bids are rejected, the award will be made to the bidder complying with the terms of sale and offering to purchase the Bonds at such rate or rates of interest as will produce the lowest true interest cost computed in accordance with the true interest cost method of calculation, that being the rate, which compounded semi-annually, is necessary to discount all principal and interest payments on

the Bonds to the purchase price (including accrued interest) bid for the Bonds. The true interest cost computation should be made as of the date of delivery of the Bonds. If two or more such bidders offer to purchase the Bonds at the same true interest cost, computed as described above, the Bonds will be awarded to the bidder whose bid offers to purchase the Bonds at the highest premium dollar amount; provided, however, that the City reserves the right, in its sole discretion, after selecting the low bidder, to adjust the aforesaid maturity installments to the extent necessary to meet the requirements of substantially level or declining debt service. The right is reserved to reject any or all bids, and any bid not complying with this Notice of Sale, except as provided above, will be rejected.

A Good Faith Deposit ("Deposit") in the form of a certified or cashier's check or fed wire transfer in the amount of \$233,520 payable to the order of the City of Syracuse is required for each bid to be considered for the Bonds. If a check is used, it must accompany each bid. If a wire transfer is used, it must be sent to the account so designated by the City for such purpose, not later than 10:00 a.m. on the date of the sale and the wire reference number must be provided on the "Proposal for Bonds" when the bid is submitted. Bidders must contact Capital Markets Advisors, LLC, 1075 Route 82, Suite 4, Hopewell Junction, New York 12533 (Telephone: 845-227-8678), the City's Financial Advisor, no later than 24 hours prior to the sale date to obtain the City's wire instructions.

The Bonds are issued pursuant to the Constitution and statutes of the State of New York, including the City Charter, the Local Finance Law and various bond ordinances adopted by the Common Council of the City and approved by the Mayor (the "Bond Ordinances"). The Bonds will be valid and legally binding general obligations of the City, all the taxable real property within which will be subject to the levy of ad valorem taxes to pay the Bonds and interest thereon, subject to applicable statutory limitations.

The State Constitution requires the City to pledge its faith and credit for the payment of the principal of the Bonds and the interest thereon and to make annual appropriations for the amounts required for the payment of such interest and the redemption of such Bonds. The State Constitution also provides that if at any time the appropriating authorities fail to make the required appropriations for the annual debt service on the Bonds and certain other obligations of the City, a sufficient sum shall be set apart from the first revenues thereafter received and shall be applied for such purposes; also that the fiscal officer of the City may be required to set apart and apply such revenues as aforesaid at the suit of any holder of such obligations.

The proceeds of sale of the Bonds will provide new money for the purposes listed below.

<u>Purpose</u>	<u>Amount of the Bonds</u>
16/17 Park, Road & Sidewalk Paving	\$ 200,000
17/18 Tree Planting	50,000
16/17 Hiaw Lake Wall Improvements	300,000
18/19 City-Owned Sidewalks	200,000
18/19 Assessable Sidewalks	300,000
18/19 DPW Equipment	1,136,000
18/19 Road Reconstruction	3,500,000
17/18 Tree Pits Project	130,000
17/18 Garage Safety Program	400,000
16/17 Garage Structural Upgrades	1,000,000
17/18 Micro-Paving	250,000
09/10 Midland Ave. Bridge	50,000
17/18 SCBA Equipment	1,150,000
17/18 Fire Apparatus	700,000
17/18 Rescue 1 Repairs	300,000
18/19 100' Ladder Truck	1,000,000
18/19 Heavy Rescue 1	<u>1,010,000</u>
	<u>\$11,676,000</u>

**THE CITY RESERVES THE RIGHT TO CHANGE THE TIME AND/OR DATE FOR THE OPENING OF THE BIDS. NOTICE OF ANY SUCH CHANGE SHALL BE PROVIDED NOT LESS THAN 24 HOURS PRIOR TO THE TIME SET FORTH ABOVE FOR THE OPENING OF THE BIDS BY MEANS OF A SUPPLEMENTAL NOTICE OF SALE TO BE TRANSMITTED OVER THE MUNIFACTS WIRE.**

If the Bonds qualify for issuance of any policy of municipal bond insurance or commitment therefor at the option of a bidder, the purchase of any such insurance policy or the issuance of any such commitment therefore shall be at the sole option and expense of such bidder and any increased costs of issuance of the Bonds resulting by reason of the same, unless otherwise paid, shall be paid by such bidder. Any failure of the Bonds to be so insured or of any such policy of insurance to be issued, shall not constitute cause for a failure or refusal by the purchaser of the Bonds to accept delivery of and pay for said Bonds in accordance with the terms of the purchase contract.

In the event that prior to the delivery of the Bonds, the income received by owners of bonds of the same type and character becomes includable in the gross income of such owners for federal income tax purposes, the successful bidder may, at his or her election, be relieved of his or her obligations under the contract to purchase the Bonds, and in such case, the deposit accompanying his or her bid will be returned.

The Bonds will be delivered on or about June 21, 2018 in Jersey City, New Jersey, or at such other place as may be agreed upon with the successful bidder. The purchase price of the Bonds, in accordance with the purchaser's bid, shall be paid IN FEDERAL FUNDS or other funds available for immediate credit on said delivery date, in an amount equal to the par amount of such Bonds, plus the premium, if any, plus accrued interest from the dated date of such Bonds until said day of delivery, less the amount of the good faith deposit submitted with the bid.

It is anticipated that CUSIP identification numbers will be printed on said Bonds, but neither the failure to print such number on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for said Bonds.

All expenses in relation to the printing CUSIP numbers on said Bonds shall be paid for by the City; provided, however, that the CUSIP Service Bureau charge for the assignment of said numbers shall be the responsibility of and shall be paid for by the purchaser.

The purchaser shall be required to deliver a typewritten list of names and respective denominations of the initial registered owners to the Securities Depository (with a copy thereof to Bond Counsel mentioned below) not later than 12:00 Noon, Prevailing Time, on the fifth business day preceding the date set for the delivery of the Bonds. If such list is not so delivered, the Bonds will be issued initially in denominations corresponding to the principal amount of each respective maturity in the name of the purchaser as registered owner.

The Bonds will be available for inspection by the purchaser at the Depository Trust Company in Jersey City, New Jersey not less than 24 hours prior to the time set for the delivery thereof. It shall be the responsibility of the purchaser to verify the names of the respective initial registered owners, denominations and CUSIP numbers at such time.

As a condition to the purchaser's obligation to accept delivery of and pay for the Bonds, the purchaser will be furnished, without cost, the following, dated as of the date of the delivery of and payment for the Bonds: (i) a certificate of the Commissioner of Finance of the City certifying that (a) as of the date of the Official Statement furnished by the City in relation to the Bonds, said Official Statement did not contain any untrue statements of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, subject to the condition that while information in said Official Statement obtained from sources other than the City is not guaranteed as to accuracy, completeness or fairness, he has no reason to believe and does not believe that such information is materially inaccurate or misleading, and (b) to his knowledge, since the date of said Official Statement, there have been no material transactions not in the ordinary course of affairs entered into by the City and no material adverse changes in the general affairs of the City or in its financial condition as shown in said Official Statement other than as disclosed in or contemplated by said Official Statement; (ii) a Closing Certificate, constituting receipt for the Bond proceeds and a signature certificate, which will include a statement that no litigation is pending or, to the knowledge of the signers, threatened affecting the Bonds; (iii) an Arbitrage and Use of Proceeds Certificate executed on behalf of the City which includes, among other things, covenants, relating to compliance with the Internal Revenue Code of 1986, as amended (the "Code"), with the owners of the Bonds that the City will, among other things, (A) take all actions on its part necessary to cause interest on the Bonds to be excluded from gross income for federal income tax purposes, including, without limitation, restricting, to the extent necessary, the yield on investments made with the proceeds of the Bonds and investment earnings thereon, making required payments to the federal government, if any, and maintaining books and records in a specified manner, where appropriate, and (B) refrain from taking any action which would cause interest on the Bonds to be includable in gross income for federal income tax purposes, including, without limitation, refraining from spending the proceeds of the Bonds and investment earnings thereon on certain specified purposes; and (iv) the unqualified legal opinion as to the validity of the Bonds of TRESPASZ & MARQUARDT, LLP, Syracuse, New York, Bond Counsel to the City. Reference should be made to said Official Statement for a description of the scope of Bond Counsel's engagement in relation to the issuance of the Bonds and the matters covered by such legal opinion. Furthermore, reference should be made to the information under the headings "TAX MATTERS" and "LEGAL MATTERS" in the Official Statement.

#### Issue Price

By submitting a bid, each bidder is certifying that its bid is a firm offer to purchase the Bonds, is a good faith offer which the bidder believes reflects current market conditions, and is not a "courtesy bid" being submitted for the purpose of assisting in meeting the competitive sale requirements relating to the establishment of the "issue price" of the Bonds pursuant to Section 148 of the Code, including the requirement that bids be received from at least three (3) underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds (the "Competitive Sale Requirements"). The Financial Advisor will advise the winning bidder if the Competitive Sale Requirements were met at the same time it notifies the winning bidder of the award of the Bonds. Bids will not be subject to cancellation in the event that the Competitive Sale Requirements are not satisfied.

The winning bidder shall, within one (1) hour after being notified of the award of the Bonds, advise the Financial Advisor by electronic or facsimile transmission of the reasonably expected initial public offering price or yield of each maturity of the Bonds (the "Initial Reoffering Prices") as of the date of the award.

By submitting a bid, the winning bidder agrees (unless the winning bidder is purchasing the Bonds for its own account and not with a view to distribution or resale to the public) that if the Competitive Sale Requirements are not met, it will elect and satisfy either option (1) or option (2) described below. *Such election must be made on the bid form submitted by each bidder.*

For purposes of the "hold the price" or "follow the price" requirement described below, a "maturity" refers to Bonds that have the same interest rate, credit and payment terms.

#### (1) Hold the Price. The winning bidder:

(a) will make a bona fide offering to the public of all of the Bonds at the Initial Reoffering Prices and provide Bond Counsel with reasonable supporting documentation, such as a copy of the pricing wire or equivalent communication, the form of which is acceptable to Bond Counsel,

(b) will neither offer nor sell to any person any Bonds within a maturity at a price that is higher, or a yield that is lower, than the Initial Reoffering Price of such maturity until the earlier of (i) the date on which the winning bidder has sold to the public at least 10 percent of the Bonds of such maturity at a price that is no higher, or a yield that is no lower, than the Initial Reoffering Price of such maturity or (ii) the close of business on the 5th business day after the date of the award of the Bonds, and

(c) has or will include within any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the winning bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, language obligating each underwriter to comply with the limitations on the sale of the Bonds as set forth above.

#### (2) Follow the Price. The winning bidder:

(a) will make a bona fide offering to the public of all of the Bonds at the Initial Reoffering Prices and provide the Issuer with reasonable supporting documentation, such as a copy of the pricing wire or equivalent communication, the form of which is acceptable to Bond Counsel,

(b) will report to the Issuer information regarding the actual prices at which at least 10 percent of the Bonds within each maturity of the Bonds have been sold to the public,

(c) will provide the Issuer with reasonable supporting documentation or certifications of such sale prices the form of which is acceptable to Bond Counsel. This reporting requirement, which may extend beyond the closing date of the Bonds, will continue until such date that 10 percent of each maturity of the Bonds has been sold to the public, and

(d) has or will include within any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the winning bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, language obligating each underwriter to comply with the reporting requirement described above.

For purposes of the "hold the price" or "follow the price" requirement, a "maturity" refers to Bonds that have the same interest rate, credit and payment terms.

Regardless of whether or not the Competitive Sale Requirements were met, the winning bidder shall submit to the Issuer a certificate (the "Reoffering Price Certificate"), satisfactory to Bond Counsel, prior to the delivery of the Bonds stating the applicable facts as described above. The form of Reoffering Price Certificate is available by contacting Bond Counsel or the Financial Advisor.

If the winning bidder has purchased the Bonds for its own account and not with a view to distribution or resale to the public, then, whether or not the Competitive Sale Requirements were met, the Reoffering Price Certificate will recite such facts and identify the price or prices at which the purchase of the Bonds was made.

For purposes of this Notice, the "public" does not include the winning bidder or any person that agrees pursuant to a written contract with the winning bidder to participate in the initial sale of the Bonds to the public (such as a retail distribution agreement between a national lead underwriter and a regional firm under which the regional firm participates in the initial sale of the Bonds to the public). In making the representations described above, the winning bidder must reflect the effect on the offering prices of any "derivative products" (e.g., a tender option) used by the bidder in connection with the initial sale of any of the Bonds.

#### **THE BONDS ARE NOT "QUALIFIED TAX-EXEMPT OBLIGATIONS" UNDER SECTION 265(b)(3) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED.**

The population of the City according to the 2016 estimated census data is 144,350. The Debt Statement to be filed pursuant to Section 109.00 of the Local Finance Law, in connection with the sale of the Bonds herein described prepared as of May 16, 2018, will show the average full valuation of real property subject to taxation by the City to be \$4,655,035,554, its debt limit to be \$418,953,199 and its net indebtedness, including the Bonds herein described to be \$199,514,582.

Copies of the City's Preliminary Official Statement dated June 5, 2018 relating to the Bonds offered hereby, this Notice of Sale and the Proposal for Bonds will be furnished upon request to the City's financial advisor. The Preliminary Official Statement is in a form "deemed final" by the City for purposes of SEC Rule 15c2-12(b)(1) but is subject to revision, amendment and completion in a Final Official Statement.

In furtherance of the successful bidder's compliance with SEC Rule 15c2-12, within five business days following receipt by the City of written advice from the successful bidder setting forth the offering prices of the Bonds, whether any policy of municipal bond insurance has been purchased for the Bonds, the legal name and address of the successful bidder and the amount of selling compensation realized by the successful bidder, the City will furnish the successful bidder reasonable quantities of the Final Official Statement. Failure or delay by the successful bidder in providing such information will prevent the City from providing the Final Official Statement in accordance with SEC Rule 15c2-12. The City shall not be liable for failure to provide the Final Official Statement if such failure results from a failure by the successful bidder to provide the aforementioned information within the time specified. The City intends, for the benefit of the holders of the Bonds, to provide certain annual financial information and event notices to various information repositories and thereby comply with the provisions of SEC Rule 15c2-12, as amended, and Securities and Exchange Commission Release No. 34-34961, File No. S7-5-94 relating to municipal securities disclosure.

COPIES OF THE OFFICIAL STATEMENT AND NOTICE OF SALE ARE AVAILABLE AT [www.capmark.org](http://www.capmark.org)

**DATED: June 5, 2018**  
**Syracuse, New York**

**David J. DelVecchio, CPA**  
**Commissioner of Finance**  
**and Chief Fiscal Officer**